STATE OF UTAH
NATURAL RESOURCES

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Norman H. Bangerter, Governor Dee C. Hansen, Executive Director Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

May 5, 1987

Mr. Lee R. Brown, Vice President Employee Relations & Governmental Affairs AMAX Magnesium Corporation 238 North 2200 West Salt Lake City, Utan 84116

Dear Mr. Brown:

Oil, Gas & Mining

Re: Notice of Tentative Approval, Mining & Reclamation Plan, Knolls Solar Ponds, M/045/022, Tooele County, Utah

The Division has completed its technical review of your latest deficiency response (received April 30, 1987) for the above-referenced mining operation. You have now adequately addressed the majority of the deficiencies outlined in our April 29, 1987 review letter, and tentative approval is hereby issued. It is our opinion that the remaining concerns can be resolved during the public comment period. Those concerns are:

- 1) Division receipt of the reclamation surety in the amount of \$1,737,900 (refer to estimate contained in DOGM letter of April 29, 1987). The surety must be filed in a form which is acceptable to the Board of Oil, Gas and Mining.
- 2) One complete set of updated project drawings and maps.

The Division has agreed to provide AMAX with an estimate of the existing vegetative cover density for the proposed clay borrow pit area. Dave Wham will be contacting you shortly to arrange a suitable date.

Page 2 Mr. Lee R. Brown M/045/022 May 5, 1987

The Division will forward a Notice of Tentative Approval to the appropriate newspapers for proper public notice of this permit action (attached). Upon successful completion of the 30-day public comment period and upon receipt of the information outlined above, the Division will be prepared to grant final approval and issue a permit to commence mining operations.

Thank you for your cooperation in this permitting matter. Please contact me or David Wham should you have any questions or concerns.

Sincerely,

L.C. Brayton

L. P. Braxton Administrator Mineral Resource Development and Reclamation Program

DMW/clj Attachment

cc: H. Hedrick, BLM, Pony Express R.A.

F. Filas

F. Jensen

D. Wham

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DIVISION OF OIL, GAS AND MINING DEPARTMENT OF NATURAL RESOURCES IN AND FOR THE STATE OF UTAH

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IN THE MATTER OF TENTATIVE APPROVAL OF THE MINING AND RECLAMATION PLAN PERMIT APPLICATION SUBMITTED BY AMAX MAGNESIUM CORPORATION TOOELE COUNTY, UTAH

NOTICE OF TENTATIVE

APPROVAL NO. M/045/022

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THE STATE OF UTAH TO ALL OPERATORS, TAKERS OF PRODUCTION, MINERAL AND ROYALTY OWNERS, AND PARTICULARLY ALL PERSONS INTERESTED IN PORTIONS OF TOWNSHIP 1 NORTH, RANGE 12 WEST; TOWNSHIP 1 NORTH, RANGE 13 WEST; TOWNSHIP 1 NORTH, RANGE 14 WEST; TOWNSHIP 1 SOUTH, RANGE 12 WEST; AND TOWNSHIP 1 SOUTH, RANGE 13 WEST, SLBM, TOOELE COUNTY, UTAH.

Notice is hereby given that tentative approval was given by the Division of Oil, Gas and Mining, on May 1, 1987 to AMAX Magnesium Corporation to conduct surface mining operations in portions of Sections 5-8, 17-21, and 28-33, Township 1 North, Range 12 West; Sections 1-36, Township 1 North, Range 13 West; Sections 14, 23, 25, 26, and 36, Township 1 North, Range 14 West; Sections 4-6, 7-9, 18 and 19, Township 1 South, Range 12 West; and Sections 1-18, Township 1 South, Range 13 West; SLBM, Tooele County, Utah.

The name of the proposed mining operation is the Knolls Solar Evaporation Pond System, and the person representing the company is Mr. Lee R. Brown, Vice President, Employee Relations and Governmental Affairs, 238 North 2200 West, Salt Lake City, Utah, 84116.

AMAX Magnesium Corporation has requested the use of approximately 54,000 acres of public lands nears Knolls, Utah for the development of the Knolls Solar Evaporation Pond System designed to produce brines for magnesium extraction at their existing plant in Rowley, Utah. The ponds would be located adjacent to a 320,000 acre lake (west pond) which will be created by the West Desert Pumping Project.

AMAX Magnesium Corporation has fulfilled obligations under the Utah Mined Land Reclamation Act of 1975 (Section 40-8, UCA, 1953, as amended) with specific reference to Section 40-8-13, and will employ the following mining and reclamation techniques on approximately 54,000 acres of state and federal (BLM) land.

During Operations:

- Topsoil will be removed, stockpiled, and protected from erosion on all areas requiring revegetation.
- Clay borrow areas will be stabilized and regraded to conform with the surrounding natural terrain.
- 3) Topsoil will be redistributed over the regraded area.
- 4) Standard agronomic practices will be used to prepare the seedbed for drill and/or broadcast seeding. The disturbed areas will be reclaimed with native vegetative species.

Following Operations:

- All equipment, structures, and extraneous debris will be removed from the minesite.
- 2) Inlet and feed canals will be refilled and regraded.
- Dikes will be breached in a manner that allows adequate drainage of the solar ponding area and restricts nonessential vehicular use.
- 4) All access and haulage roads not having an approved postmining land use will be reclaimed.
- 5) Interior dikes will be regraded. Exterior dikes will be reclaimed in a manner consistent with the approved postmining land determined by the Division and the Bureau of Land Management upon termination of mining activities.

Any person or agency aggrieved by this tentative decision is hereby requested to submit written protest within 30 days of the date of publication to the Division of Oil, Gas and Mining, 355 W. North Temple, 3 Triad Center, Suite 350, Salt Lake City, Utah, 84180-1203, setting forth factual reasons for his or her complaint, and thereafter, at a time and place to be established, appear before the Board of Oil, Gas and Mining to show cause, if any, why this mine plan should not be approved.

DATED this 1st day of May 1987.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

Marjorie L. Anderson

Administrative Assistant